

## Old-Age, Disability, Death

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First and current law: 1986 (implemented August 1, 1987).

Type of program: Provident fund system (lump-sum benefits only).

**Exchange rate:** U.S.\$1.00 equals 113 vatu (as of 1993).

### Coverage

Employees over age 14 in regular employment, with the following exceptions:

- 1 Persons covered under employer-provided retirement programs if approved by the Board of the Provident Fund; and
- 2 Employees earning less than 3,000 vatu a month. Also exempt are temporary workers in agriculture and forestry.

Ministers and members of religious organizations may pay into the program on a voluntary basis.

### Source of Funds

**Insured person:** 3% of earnings.

**Employer:** 3% of payroll.

**Government:** None.

### Qualifying Conditions

**Old-age benefit:** Age 55; or permanent departure from the country.

**Disability benefit:** Permanently incapable of employment of any kind due to physical or mental impairment.

**Survivor benefit:** Death of insured worker prior to retirement.

### Old-Age Benefits

**Old-age benefit:** Lump sum equal to total employee and employer contributions, plus at least 4% compound interest.

### Permanent Disability Benefits

**Disability benefit:** Lump sum equal to total employee and employer contributions, plus at least 4% compound interest.

### Survivor Benefits

**Survivor benefit:** Lump sum equal to total employee and employer contributions, plus at least 4% compound interest. Also, special death benefit in addition to above.

### Administrative Organization

Ministry of Finance, general supervision.

Ministry of Finance and the Reserve Bank of Vanuatu, investment guidelines.

Provident Fund Board, administration of program.

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